STATE APPEAL BOARD

In Re:	Silver City, lowa Budget Amendment Appeal)	Order
	Budget Amendment Appear)	
	FY 2006-2007)	August 6, 2007

BEFORE STATE TREASURER, MICHAEL L. FITZGERALD; STATE AUDITOR, DAVID A. VAUDT; AND THE DIRECTOR OF THE DEPARTMENT OF MANAGEMENT, CHARLES KROGMEIER:

An appeal to the City of Silver City's FY 2007 budget amendment was received by the State Appeal Board on July 12, 2007.

PROCEDURAL HISTORY

The FY 2007 amended budget for the City of Silver City, lowa was published on or before June 20, 2007. The required public hearing was held on June 30, 2007 and the amended budget was adopted on the same date.

A petition protesting the FY 2007 amended budget was legally filed with the Mills County Auditor on July 9, 2007 and was received by the State Appeal Board on July 12, 2007. The petitioners stated on the petition document the reason for the protest was because the City of Silver City amendment hearing was held after the May 31 deadline.

FINDINGS OF FACT

1. Section 384.18 of Iowa Code states "A budget amendment must be prepared and adopted in the same manner as the original budget, as provided in section 384.16, and is subject to protest as provided in section 384.19, except that the committee may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest. A city budget shall be amended by May 31 of the current fiscal year to allow time for a protest hearing to be held and a decision rendered before June 30. The amendment of a budget after May 31, which is properly appealed but without adequate time for hearing and decision before June 30 is void."

CONCLUSIONS OF LAW

The State Appeal Board has jurisdiction over the parties and the subject matter of this appeal, pursuant to Iowa Code Sections 24.28, 384.18, and 384.19.

BASIS OF DECISIONS

The City's amendment hearing and amendment to the budget were in accordance with statutory provisions. However, the City's amendment process occurred after May 31 which did not allow time for a protest hearing to be held and a decision rendered before June 30.

ORDER

The amendment to the City of Silver City's FY 2007 budget is void as required in section 384.18 of lowa Code. The expenditures of \$8,137 and \$5,477 the within Public Safety and Culture and Recreation programs are disallowed.

STATE APPEAL BOARD

Michael L. Fitzgerald

Chairperson

David A. Vaudt Vice Chairperson

Date

Charles Krogmeier

<u>Member</u>